

## Message Text

LIMITED OFFICIAL USE

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ACTION OPIC-06

INFO OCT-01 AF-10 ISO-00 AID-05 EB-08 SP-02 L-03

CIAE-00 INR-10 NSAE-00 OMB-01 TRSE-00 ABF-01

COME-00 XMB-02 /049 W

-----089164 030223Z /75

R 021430Z MAR 78

FM AMEMBASSY LAGOS

TO SECSTATE WASHDC 6846

INFO AMCONSUL KADUNA

LIMITED OFFICIAL USE LAGOS 2640

E.O. 11652: N/A

TAGS: EGEN, EFIN, EINV, NI

SUBJECT: SUBJECT: FMG POLICY ON MAJOR CONSTRUCTION PROJECTS

REF: (A) KADUNA 0120, (B) LAGOS 2442

1. EMBASSY REGRETS LATE RESPONSE REF A. AS REF B REPORTS, FMG NOW WILLING TO DISCUSS TGIC FINANCE PROPOSALS FOR U.S.-NIGERIAN JOINT VENTURES. HOWEVER, WHILE OPIC OFFERS INVESTMENT GUARANTEE INSURANCE IT DOES NOT GUARANTEE OTHER U.S. LOANS. SUCH GUARANTEES ARE OFFERED BY EXPORT-IMPORT BANK WHICH ALSO MAY BE INTERESTED IN DIRECTLY LENDING UP TO 50 PERCENT OF LAOSN FINANCING EXPORT OF U.S. GOODS AND SERVICES.

2. EMBASSY CONCURS WITH CONSULATE'S JUDGMENT THAT U.S. PRIVATE BANKS WOULD NOT BE INTERESTED IN FINANCING STRETCHED OUT PAYMENT TERMS AS DESCRIBED REF A WITHOUT SOME SORT OF FINANCE GUARANTEE. IF SUCH GUARANTEES ARE AVAILABLE, BELIEVE MOST IMPORTANT FACTOR FOR BANKS THEN BECOMES HIGHER INTEREST RATE TO COMPENSATE BANKS FOR LONGER-TERM FINANCING.

3. IF BANKS WILLING TO FINANCE STRETCHED OUT PAYMENT PROPOSALS, BELIEVE U.S. CONSTRUCTION FIRMS WOULD GO ALONG WITH LIMITED OFFICIAL USE

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PROPOSALS. HOWEVER, IF CONSTRUCTION FIRMS ARE NOT ABLE TO SELL PACKAGE TO BANKS, DO NOT BELIEVE THAT THEY WILL BE ABLE OR INTERESTED IN FINANCING PROPOSALS ON THEIR OWN  
EASUM

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** JOINT VENTURES, LOANS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 02 mar 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978LAGOS02640  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D780096-0880  
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**Handling Restrictions:** n/a  
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**Legacy Key:** link1978/newtext/t197803115/aaaadtvv.tel  
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**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
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**Message ID:** cadf3dba-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION OPIC  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
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**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 78 KADUNA 120, 78 LAGOS 2442  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 27 apr 2005  
**Review Event:**  
**Review Exemptions:** n/a  
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**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 3143276  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** SUBJECT: FMG POLICY ON MAJOR CONSTRUCTION PROJECTS  
**TAGS:** EGEN, EFIN, EINV, NI  
**To:** STATE  
**Type:** TE  
**vdkgvwkey:** odhc://SAS/SAS.dbo.SAS\_Docs/cadf3dba-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
EO Systematic Review  
20 Mar 2014  
**Markings:** Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014